

# GENERAL EXCISE TAX COMPUTATION WORKSHEET FOR PERSONS WITH A CERTIFIED DISABILITY

Attach a copy of this worksheet to your return.

Disabled Taxpayer's Name \_\_\_\_\_ HI Tax I.D. No. **W** \_\_\_\_\_ - \_\_\_\_

Last 4 digits of your SSN or FEIN \_\_\_\_\_ Filing period \_\_\_\_\_

1. Enter your share of the amounts listed in Part II, Column c of Form G-45 or Form G-49 for the following activity classifications:

a. Retailing ..... \$ \_\_\_\_\_

b. Services Including Professional ..... \$ \_\_\_\_\_

c. Contracting ..... \$ \_\_\_\_\_

d. Theater, Amusement and Broadcasting ..... \$ \_\_\_\_\_

e. Interest ..... \$ \_\_\_\_\_

f. Commissions ..... \$ \_\_\_\_\_

g. Transient Accommodations Rentals ..... \$ \_\_\_\_\_

h. Other Rentals ..... \$ \_\_\_\_\_

i. All Others ..... \$ \_\_\_\_\_

2. Enter the total of lines 1a through 1i ..... \$ \_\_\_\_\_

3. Multiply the amount on line 2 by .005 ..... \$ \_\_\_\_\_

4. Total of the lines in Part II, Column c of Form G-45 or Form G-49 ..... \$ \_\_\_\_\_

5. Subtract the amount on line 2 from the amount on line 4 ..... \$ \_\_\_\_\_

6. Multiply the amount on line 5 by .04 ..... \$ \_\_\_\_\_

7. Total Part II Taxes. Add the amounts on line 3 and line 6.  
Also enter this amount on Form G-45 or Form G-49 in the "Part II – Taxes box." ..... \$ \_\_\_\_\_

## PURPOSE OF THIS WORKSHEET

Use this worksheet to calculate the amount of tax to report on your monthly, quarterly, semi-annual, or annual general excise tax return, Forms G-45 and G-49.

Use a separate sheet for each general excise tax return. For each taxable period, attach a copy of this worksheet to your general excise tax return for that period.

## GENERAL INSTRUCTIONS

The General Excise Tax Law permits a person with impaired sight, impaired hearing, or who is totally disabled to claim certain tax benefits. First, the person may exclude up to \$2,000 of gross income **per year** from the general excise tax. Second, the person will be taxed on any remaining gross income at a maximum rate of  $\frac{1}{2}$  of 1%.

These benefits are also available to corporations all of whose outstanding shares are owned by individuals who are blind, deaf, or totally disabled and to general, limited, or limited liability partnerships, all of whose partners are blind, deaf, or totally disabled, and limited liability companies, all of whose members are blind, deaf, or totally disabled.

To be eligible for these benefits, your impairment or disability must be certified by an appropriate medical doctor on Form N-172, *Claim for Tax Exemption by Person with Impaired Sight or Hearing or Totally Disabled Person and Physician's Certification*, and must then be submitted to the Department of Taxation. Furthermore, the disabled person cannot have earned income of more than \$30,000 for the tax year from all sources. For more information on earned

income and disability benefits, see *Tax Information Release Nos. 89-3 and 94-2 and Hawaii Administrative Rules sections 18-235-1.11 through 18-235-1.15.*

To claim these benefits on the periodic (Form G-45) and annual (Form G-49) general excise/use tax returns, special reporting procedures must be followed. If the reporting procedures are not followed, processing and accounting errors will occur. These errors will result in delays and correspondence between the Department and you.

The following instructions cover the special reporting procedures only. Basic instructions for completing the periodic (Form G-45) and annual (Form G-49) general excise/use tax returns are provided at the Department's website at [www.hawaii.gov/tax](http://www.hawaii.gov/tax) or by calling our Taxpayer Services staff at the numbers listed in WHERE TO GET INFORMATION below.

There are three things you must do which differ from the general instructions to claim the special benefits for disabled taxpayers:

- 1) "Disability Exemption" should be written directly below the form title on your general excise tax return;
- 2) Complete this worksheet to calculate the amount of tax to report on your monthly, quarterly, semi-annual, or annual general excise tax return, Form G-45 and G-49;  
AND
- 3) For each taxable period, attach a copy of the worksheet that is used to compute your tax to your general excise tax return for that period.

## SPECIFIC LINE INSTRUCTIONS

**Line 1** — Enter your share of the amounts listed on Part II, Column c of Form G-45 or Form G-49 for the specific activity classifications listed. Be sure that any deduction for your \$2,000 annual disability exclusion amount reduces only your share of the total income. If you are unable to use the entire exclusion of \$2,000 on your first return for the year, the balance may be carried to subsequent periods until exhausted.

**IMPORTANT** — *The total of your allowable exclusion is \$2,000 PER tax year, **NOT** per activity. Note that it is possible for the total exclusion to exceed \$2,000 per year. If more than one individual is covered by a general excise tax license, and if the type of ownership is either "individual" or "other," then each disabled individual may claim an exclusion of up to \$2,000 on their share of the total gross income for the entire tax year, and apply the ½ of 1% tax rate against the balance of their share. Qualifying corporations and general, limited, or limited liability partnerships may exclude \$2,000 of gross income per year regardless of the number of shareholders or partners. Individuals without qualifying disabilities will not be able to have any of these benefits apply to their share of the income.*

**Line 2** — Enter the total of the amounts listed on lines 1a through 1i.

**Line 3** — Multiply the amount on line 2 by .005 (i.e., ½ of 1%). This is the amount of general excise tax on the Part II gross income attributed to the person with the certified disability.

**Line 4** — Enter the total of the amounts in Part II, Column c of Form G-45 or Form G-49.

**Line 5** — Subtract the amount on line 2 from the amount on line 4. This is the sum of the value of imports for consumption and the Part II gross income of a non-disabled person (if any). Please note that there is no disability exclusion or tax rate reduction which may be applied against the Use Tax liability on the value of imports for consumption by a person with a certified disability. This amount is subject to tax at the 4% rate.

**Line 6** — Multiply the amount on line 5 by .04 (i.e., 4%).

**Line 7** — Enter the total of line 3 and line 6. This is your total Part II taxes. Also enter this amount in the Part II – TAXES box on Form G-45 or Form G-49. This amount should **NOT** equal 4% of the amount in the Sum of the lines in Column c above box on Forms G-45 or G-49.

## WHERE TO GET INFORMATION

**Hawaii Department of Taxation**  
P. O. Box 259  
Honolulu, HI 96809-0259

Tel. No.: 808-587-4242  
Toll-Free: 1-800-222-3229  
TDD/TTY No.: 808-587-1418  
TDD/TTY Toll-Free: 1-800-887-8974

**Tax information and forms:**  
[www.hawaii.gov/tax](http://www.hawaii.gov/tax)

**Forms by Fax/Mail:**  
Telephone No. 808-587-7572  
Toll-Free: 1-800-222-7572